



Hundredth Legislature - First Session - 2007
Committee Statement
LB 400

Hearing Date: February 7, 2007
Committee On: Health and Human Services

Introducer(s): (Johnson)
Title: Require an audit of medicaid drug rebate payments

Roll Call Vote – Final Committee Action:

- Advanced to General File
 - X Advanced to General File with Amendments
 - Indefinitely Postponed
-

Vote Results:

7	Yes	Senator(s): Johnson, Erdman, Hansen, Howard, Gay, Pankonin, Stuthman
	No	
	Present, not voting	
	Absent	

Proponents:
Senator Joel Johnson
Joni Cover
Kelly Boryca

Representing:
Introducer
Nebraska Pharmacists Association
Pfizer

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

LB 400 requires the Department of Health and Human Services Finance and Support (department) to “audit Medicaid drug rebate payments owed to the state as a result of the sale of generic drugs and reference-listed drugs under Medicaid to ensure timely and accurate payments by all manufacturers.” Manufacturers are required to cooperate with the department to accomplish the audit. The department is required to use generally accepted government accounting standards and submit a report to the Health and Human Services Committee by July 1, 2008. The bill defines terms.

Explanation of amendments, if any:

The committee amendment (AM 543) essentially replaces the bill as introduced, but retains the substance of the original bill. The amendment requires the department to conduct an audit of drug rebate payments owed to the state from the sale of all prescription drugs under the medical assistance program, not only generic drugs. The amendment deletes the definitional section in the introduced bill. The new provisions would terminate on July 2, 2008, after submission of the audit report by the department on July 1, 2008.

Senator Joel Johnson, Chairperson